# **Advisory Commission on Intergovernmental Relations**

# Friday, September 9, 2022

An audio recording is available at: https://portal.ct.gov/-/media/ACIR/Meetings/2022/2022-09-09 ACIR audio.mp3

**Members present:** Maureen Brummett, John Elsesser, John Filchak (Vice Chair), Sam Gold, Karl Kilduff, James O'Leary, Francis Pickering, Troy Raccuia, Lon Seidman, Brendan Sharkey (Chair), Ron Thomas

**Members not present:** Kyle Abercrombie, Carl Amento, Luke Bronin, Sen. Stephen Cassano, Brian Greenleaf, Matt Hart, Martin Heft, Laura Hoydick, Jeffrey Kitching, Harrison Nantz, Keith Norton, Neil O'Leary, Mike Walsh

**Other participants:** Rebecca Augur, Betsy Gara, Leah Grenier, Donna Hamzy Carroccia, John Harkins, Rich Roberts, Margaret Wirtenberg

**Member vacancies**: Nominated by COST: Municipal official: Town of <10,000 population

**OPM staff:** Bruce Wittchen

### 1. Call to order and overview of telemeeting procedures

Commission chair Sharkey called the meeting to order at 10:34 noting the lack of a quorum of members, and asked Bruce Wittchen to list ACIR bylaws on the October agenda. Commission member O'Leary noted that some members seem to miss most meetings.

Commission chair Sharkey noted that Commission member Filchak has been appointed Commission vice chair Filchak.

# 2. Approval of the minutes of the August 5, 2022 meeting

A quorum was not present and the minutes could not be approved.

## 3. Membership update, if any

Bruce Wittchen said the Governor has appointed two new members and noted that they only learned this morning and are unable to attend. The new members are Mayor Hoydick of Stratford, who was nominated by the CT Conference of Municipalities (CCM), and Jeffrey Kitching, executive director of EdAdvance, which is NW CT's Regional Educational Service Center (RESC). One vacancy remains: a representative of a town of up to 10,000 population, nominated by the CT Council of Small Towns (COST). Commission chair Sharkey thanked CCM for nominating Mayor Hoydick.

#### 4. ACIR regular reports

- ACIR Session Mandates Report (due November 15)
- 2023 Mandate Compendium Supplement (due January 15)

Commission chair Sharkey mentioned CCM's recommendation to take a closer look at few mandates. Commission member Thomas said it would be a look back at previously adopted mandates and involve a survey of small, medium, and large municipalities regarding the impact each experienced. It could include recent and long-term mandates, some small, some large. He mentioned minimum education budget requirements (MBR), payment in lieu of taxes (PILOT) & manufacturing machinery and equipment (MME) tax exemption, special education, and solid waste. He said CCM's Donna Hamzy can provide further details if needed.

Commission member Thomas said the mandate compendium supplement or a separate report would be the best place for this work, not the session mandate report due in November. Commission member O'Leary described the ACIR's previous experience with such a study and said many towns did not respond or provided weak information. He recommended giving the survey to CCM and COST for them to take to towns.

Regarding solid waste, Donna Hamzy noted that towns wanted the state to take on the cost for solid waste disposal, but legislation proposed a few years ago did not pass. She mentioned the trash to energy working group and noted the limited resources for this. She provided further background and added that Materials Innovation and Recycling Authority (MIRA) has been subsiding the cost for its member towns. Commission chair Sharkey acknowledged the importance of this issue. He also noted that he has been developing survey abilities and can do a broad survey that is stratified by municipality population.

Commission member Pickering warned that towns will quantify impacts in different ways. The ACIR must specify how it should be done. He noted that the limitations experienced in <u>uniform chart of accounts</u> (UCOA) implementation. Commission member Thomas agreed with the broad survey approach and said we can learn things from that. Commission member O'Leary said we need to compare apples to apples. Commission member Thomas said CCM will work on it and it will mean a lot to work with the ACIR on it.

Commission member Filchak said it is more complicated than it appears: a town of 5,000 in western CT will have more capacity than a town of that size in the east. There was a discussion of how various other characteristics of municipalities can impact the results of such an analysis. Margaret Wirtenberg recommended the group consider data provided to the state in municipal reports.

There was further discussion of the proposed work and Bruce Wittchen said the group should also consider whether towns would choose to do work even if not mandated. He noted that the ACIR's long-ago study of this had asked towns about the impact of the state mandate requiring towns to plow their roads. A town would do that even if not required by the state. Commission member Pickering noted that some towns have private household waste collection and a study of solid waste will not be relevant to them.

## 5. CT Local Government of the Future initiative (notes of 8/23 subcommittee meeting)

## a. Current topics

Commission member Pickering said he will be able to speak about the federal funding work next month. Commission member Thomas mentioned a National League of Cities boot camp on grant writing and said CCM is grouping cities for sessions. Training focuses on one aspect at a time and he mentioned electric vehicle charging stations and flooding as examples. There will be a series of sessions across a few-month period. Commission member Elsesser said <u>regional councils of governments</u> (COGs) are also coordinating towns for seeking grants.

Commission vice chair Filchak recommended the ACIR schedule a presentation by <u>Dept. of Revenue Services</u> (DRS) Commissioner Boughton and there was a discussion of possible roles of COGs in helping municipalities with federal funding. Commission member Elsesser pointed that it is easier for five towns to collaborate for a grant to install mid-block crosswalks or new signalization than for one to do it alone. Commission vice chair Filchak said the minimum funding level of some grants is too high for many towns. Sam Gold mentioned such a project and described an approach with a planning study covering multiple projects.

Commission member Pickering said the level of direct grants to towns is unprecedented. It is not efficient and working through COGs is better. Commission member Thomas pointed out that the bootcamps he mentioned earlier can lead to towns applying for funds together. Commission member Elsesser noted a potential role for the ACIR in the upcoming session, explaining that some non-charter towns have restrictions on receiving direct grants and must hold a town meeting, imposing a 60-day timeframe. He asked if this might warrant a statutory change, at least for infrastructure funding. Commission chair Sharkey noted the justification for oversight but said accountability must be weighed against lost opportunities.

Commission vice chair Filchak mentioned safe streets grants having minimum grants of \$200,000 and requiring a 20% local match. Where will small towns find the match? To maximize municipal access to federal funding, how can the state assist towns in making that match? There was a discussion of federal requirements for this and how to combine requests.

Commission member Gold highlighted that the state could be leveraging state funding to receive additional federal funding but said it does not do that with its 100% state-funded <a href="transit oriented">transit oriented</a> development (TOD) grant program. He said state funding should be used to provide the match for federal funding when possible. He said federal grants even can allow an in-kind match, but CT does not. In NY, work performed by DOT employees has been used to provide the needed match. Some of the prohibitions against this in CT are not based on statutes; they are policy. Commission member Elsesser said one option could be to use <a href="Regional Performance Incentive Program">Regional Performance Incentive Program</a> (RPIP) funding as a match. Commission member Pickering agreed but recommended first inventorying what is already being spent – that could provide the match for 80% federal funding.

Commission chair Sharkey described the possibility of rolling out property tax reform in the next legislative session. DRS Commissioner Boughton has questioned the benefit of bringing in someone from Wall Street to help due to the learning curve and has recommended beginning with and updating the recommendations of CCM's *This Report is Different*. Commission chair Sharkey outline a potential process and asked what members think of using that as the baseline.

Commission member Pickering agreed that it is an interesting concept and asked who would own the resulting report if it is updated by the ACIR. Commission chair Sharkey said it would be an ACIR report. Commission member Pickering pointed out the increase in property taxes over time and said the state's interest in limiting overall taxation can be different than the interests of 169 municipalities. Commission chair Sharkey asked if the ACIR should build off what already exists, such as CCM's report, and Commission vice chair Filchak said CCM's more recent draft report has more data but is tabled until after the election.

There was a discussion of how CCM's more recent data might be made available and who would pay. Commission vice chair Filchak said the ACIR should begin with *This Report is Different* and also look at the CT school finance project report. He also mentioned other work and highlighted that he believes the ACIR's focus should be on tax reform, not tax relief. Commission member O'Leary said every aspect of this is extremely complex and noted that revenue reduction is not as feasible in small towns having few employees as it might be in municipalities having many employees. He also said the ACIR needs to find more bandwidth; this work is placing too much of a burden on members like Commission chair Sharkey. We need to figure out how to get additional bandwidth. The work being considered requires staff support. Perhaps CCM, COST, COGs, and RESCs can help. Commission chair Sharkey agreed that this work has been a burden and staff support is needed.

Commission member Pickering said that resources are sorely lacking and added that the ACIR should focus on the overall state interest, not municipalities and school districts protecting their interests. We have never walked back the rising local revenues. Margaret Wirtenberg noted that towns can count on the year-to-year reliability of property tax revenues. Commission member Thomas said local revenue reduction would be possible if the state takes steps such as to cover its

unmet obligations for special education. He also noted the previously mentioned unmet state PILOT obligations. He said the ACIR should recommend steps to be taken at the local, regional, and state level.

Commission chair Sharkey said that, in proposing this initiative, he envisioned whoever is Governor in 2023 undertaking the effort as his legacy. This is not to be a report for a shelf and asked if it is realistic with available resources to consider this for 2023, noting the need for staffing. Commission member Thomas said staffing is a longer-term issue. Regarding the possible updating of CCM reports, that would have to begin with a discussion with consultants that prepared them. He added that Commission member Elsesser might be able to provide additional perspective on the tabled report.

Commission member Elsesser noted that he no longer is on CCM's board, but the board appears to be in a holding pattern regarding the tabled report. It is considered a confidential document at this time and he said it contains a lot of good data if CCM releases it. He recommended that Commission chair Sharkey talk with CCM Executive Director Joe DeLong. Commission chair Sharkey pointed out that the ACIR has a broader spectrum of interests, which might carry more weight in the future. He is till thinking this through himself.

Commission vice chair Filchak noted the difference between the property tax and a broader revenue source and said the differences among towns are stark. He mentioned sources of data and Commission chair Sharkey asked if ACIR members can commit to rolling up their sleeves to do the work as volunteers or if the group should wait for staff. Commission vice chair Filchak said they should not wait, noting he had spent a year on the 1000 Friends report. The usual approach in CT is to just look for what can be cut from a budget.

Margaret Wirtenberg said she heard that one vote prevented the release of CCM's tabled report and Commission member O'Leary asked if that will be revisited. Commission member Thomas said that is a possibility after the election but recommended the ACIR not wait. Beginning now provides an opportunity for the next legislative session. Commission member O'Leary asked if CCM's board might release some of the information in the report and Commission member Thomas said they can share hard data.

Commission chair Sharkey noted the late time and asked what the group wants to do. We cannot offload this to an expert in the time available so we would have to roll up our sleeves. Commission vice chair Filchak said it cannot wait and said we all know the options even if we do not agree with each. He is not in favor of bringing in another expert and this will require a long legislative session as is scheduled in 2023. Commission chair Sharkey recommended recruiting for a subcommittee to meet weekly, not monthly. He will circle back with DRS Commissioner Boughton.

#### 6. Other Old Business

There was no other old business.

#### 7. New business or any other municipal, regional, or state matters for ACIR consideration

Commission member Filchak asked about the potential of funding additional ACIR positions at OPM and Commission chair Sharkey asked him to contact OPM's Martin Heft.

## 8. Additional public comments if any

Rich Roberts volunteered to help with the ACIR's work. Commission chair Sharkey said beginning this effort and then publicizing what the ACIR is doing will draw more volunteers. Additional people volunteered and there was a consensus to schedule early morning meetings.

# 9. Next meeting

Upcoming meetings will be.

- Tuesday, September 27, 2022, 10:30 am Friday, October 7, 2022, 10:30 am

Subcommittee Full ACIR

# 10. Adjournment

The meeting adjourned at 12:16.

